**To:** Manager of Han’s Oriental Grocery Inc

**From**: Jenny Toomey

**Date**: March 29, 2011

**Re**: Proposal to Expand Business at SU

The following is a proposal to conduct a feasibility study for expanding business from the pan-Asian grocer on Erie Boulevard to Syracuse University campus. The grocer can reach out to students by creating another branch of the grocer on or off campus, possibly on Marshall Street or residential off campus areas of students. This proposal contains information on the current state and the impact on the lack of access to an Asian grocer; suggestions on what can be done to solve the problem; cost and schedule to complete the proposed project; and the qualifications of myself to conduct the feasibility report.

**Current State**

On Syracuse University, enrollment of International students from Korea and China is increasing year by year. One would note by observation that most of the International students do not own a car nor have driver’s license. Even when the opportunity arises to go to the grocer’s on Erie Blvd., most of the students are on a tight schedule and cannot find the time to make the trip and wishes that there was a convenient way to get ethnic food at instant.

Han’s Oriental Grocery, therefore, is losing sales due to inconvenience and lack of transport. According to Daily Orange, enrollment of international students in undergraduate and graduate school was 2,103. Assuming that 35 percent came from East Asian countries and students purchased $200 worth of groceries from Han’s, that’s an annual loss in sale of $147,210.

**Objectives**

The feasibility report will come up with opportunities and limitations on creating a grocer on Marshall Street for SU students. Financially, the report will determine whether the operational cost of the new service will be offset by the sale in what time period for the bottom line.

**Proposed Solution**

The solution I am proposing to solve the problem is to open up a store on or off campus that carries essential groceries most popular at Han’s. I believe that having a close location from where international students, or students interested in pan-Asian groceries live will bridge the gap of inconvenience that most students face, and allow for a consistent flow of traffic from students and staff members. In my feasibility report I will determine the operation costs for opening up a new store in which locations, as well as how much money would be saved if Han’s did not open up a new store. Thus, it will contain options that determine what will best benefit the owners financially.

**Method**

The method will consist of few steps to achieve a solution. First I will determine the cost of owning or renting a space on Marshall Street to maintain a store. I will also determine the cost of owning or renting a space on off-campus residential area. I will then assess each opinion based on feasibility, cost and overall ability to keep a consistent flow of customers. Based on the operation cost, cost of advertising campaign for the opening of the new grocer, estimated sales from the new store as well as the original store, and how much money Han’s is willing to invest in the new operation, I will determine which option is best suited for the business.

**Cost and Schedule**

The overall cost of this project varies, and will entail an ongoing cost. Based on an estimate lease price on Marshall Square Mall, the operation cost will be about $100,800 per year. With construction and buildup cost that is needed initially, the overall cost of this project will vary from $205,000 to $250,000 for the first two years.

**Qualifications**

The qualifications I possess to do this feasibility report include my work experience with General Electric, where I managed multiple IT related projects at once. Although the nature of the work differs, the same work ethic and project management skill will be applied to this assignment. I understand the importance of keeping in contact with my client thus will consistently keep in touch with you and give updates on how the feasibility report is coming along.

**Conclusion**

Although this project, if initiated will require significant investment in the beginning, I believe that if carried out will benefit the grocer by generating revenues in the long run. Through my feasibility study I will make this hypothesis clear and analyze what the possibilities are for Han’s Oriental Market.